Postal Regulatory Commission Submitted 8/29/2018 11:57:26 AM Filing ID: 106399 Accepted 8/29/2018

UNITED STATES OF AMERICA POSTAL REGULATORY COMMISSION WASHINGTON, DC 20268-0001

Competitive Product Prices
Priority Mail & First-Class Package Service
Priority Mail & First-Class Package Service Contract 87

Docket No. MC2018-213

Competitive Product Prices
Priority Mail & First-Class Package Service
Contract 87 (MC2018-213)
Negotiated Service Agreement

Docket No. CP2018-295

PUBLIC REPRESENTATIVE COMMENTS ON THE UNITED STATES POSTAL SERVICE REQUEST TO ADD PRIORITY MAIL & FIRST-CLASS PACKAGE SERVICE CONTRACT 87 TO THE COMPETITIVE PRODUCT LIST

(August 29, 2018)

The Commission established the above referenced docket to receive comments from interested persons, including the undersigned Public Representative, on a Postal Service Request to add Priority Mail & First-Class Package Service Contract 87 to the competitive product list. The Postal Service's Request includes a Statement of Supporting Justification, a certification of compliance with 39 U.S.C. § 3633(a), and a copy of Governor's Decision No. 11-6. In addition, the Postal Service filed a public version of the contract related to the proposed new product. The contract was also filed in its entirety as a non-public document, along with required financial data.

The Postal Service states that Priority Mail & First-Class Package Service Contract 87 is a competitive product "not of general applicability within the meaning of 39 U.S.C. § 3632(b)(3)." *Request* at 1. The Postal Service also maintains that the prices and classification underlying the instant contract are supported by Governors' Decision No. 11-6.²

¹ USPS Request to Add Priority Mail & First-Class Package Service Contract 87 to the Competitive Product List and Notice of Filing (Under Seal), August 24, 2018 (Request).

² Decision of the Governors of the United States Postal Service on Establishment of Domestic Competitive Agreements, Outbound International Competitive Agreements, Inbound International

The contract is scheduled to expire 3 years from the effective date unless either party terminates the contract on 30 days' prior written notification. *Id* at 9.

COMMENTS

The Public Representative has reviewed the contract, the Statement of Supporting Justification, and financial model filed under seal that accompanies the Postal Service's Request. Based upon the complete review, the Public Representative concludes that Priority Mail & First-Class Package Service Contract 87 should be added to the competitive product list. In addition, it appears that the instant contract should generate sufficient revenues to cover costs and thereby satisfy the standards of 39 U.S.C. § 3633(a).

The Public Representative respectfully submits the foregoing comments for the Commission's consideration.

Curtis Kidd
Public Representative

901 New York Ave. NW Washington, DC 20268-0001 202-789-6881 Curtis.Kidd@prc.gov